Department of Expenditure's Advice to States

3669. DR. SHRIKANT RAMCHAN-DRA JICHKAR: Will the Minister of FINANCE be pleased to state:

(a) how many cases and instances of taking timely action to advice States in problems of ways and means were undertaken by the Plan Finance Division in the Department of Expenditure during the year 1992-93;

(b) whether the States did actually act upon such advise;

(c) what are the instances when the States did not act upon the advise; and

(d) what is done if the advise is not accepted:

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) to (d) Reserve Bank of India functions as banker to the State Governments. Based on the normal transactions of the States, Reserve Bank allows Ways and Means limit to each State. When the State overdraws beyond this limit continuously for 7 working days, Reserve Bank of India stops payments on behalf of the State Government.

When the States are in overdraft for a number of days, the Central Government assists the States in clearing the overdraft, by making advance release of their entitlements. There are occasions, when in spite of this help, the Reserve Bank was forced to suspend payments.

The statement below indicates the information sought by the Question:

States	No. of advices sent to States by the Plan Finance Division in the Department of Expenditure during 1992-93	No. of times the States acted upon the advices sent	No. of times the States did not act upon the advices
1. Assam	3	..	3
2. Bihar	9	6	3
3. Goa	1	1	..
4. Gujarat	12	6	6
5. Haryana	1	1	..
6. Himachal Pradesh	23	10	13
7. Kerala	15	5	10
8. Madhya Pradesh	16	2	14
9. Manipur	14	3	11
10. Mizoram	1	..	1
11. Nagaland	6	..	6
12. Orissa	8	6	2
13. Tamil Nadu	1	1	..
14. Tripura	7	..	7
15. West Bengal	2	1	1

Over-drafts by States

3670. DR. SHRIKANT RAMCHAN-DRA JICHKAR: Will the Minister of FINANCE be pleased to state:

* (a) what were the states which remained in over-draft for more than seven days during the period from 1st January, 1993 to 31st July, 1993;

(b) out of these which are the states whose payments were stopped by virtue of the overdraft Regulation Schemes of States during this period;